



Indo-US Conference on Building Natural Gas Markets in India

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Federal-State Cooperation in the Regulatory Environment

Presented by:

Commissioner Judy A. Jones

Public Utilities Commission of Ohio

Columbus, Ohio

National Association of Regulatory Utility Commissioners

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Federal/State Cooperation in the Regulatory Environment

- *Introduction*
- *Regulation of Natural Gas*
- *Electric Power Regulation*

PUCO



Federal/State Cooperation in the Regulatory Environment

- *Shift in regulatory authority from state to federal*
- *Erosion Of Authority Held By The States*
 - *Federal agencies assumed authority previously held by the states*
 - *Federal agencies gave up authority that have traditionally been shared with their state counterparts*
 - *Federal agencies adding new authority that no one held before*



Federal/State Cooperation in the Regulatory Environment

- *States are given an advisory role*
- *Federal Energy Regulatory Commission (FERC) assistance to the states*

OPUC



Federal/State Cooperation in the Regulatory Environment

● *Forms of Joint Proceedings-*

- *Joint Boards*
- *Joint hearings*

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Federal/State Cooperation in the Regulatory Environment

- *Two forms of joint hearings -
 - *State commissions receive information or act in an advisory capacity*
 - *State and federal commissions concurrently hear evidence**
- *FERC Joint Proceeding Practices*

OPUD



Federal/State Cooperation in the Regulatory Environment

● *FERC/State Partnerships*

- *More structured relationship with the State commissions*
- *New division within the Office of External Affairs*
- *FERC is dedicated to committing resources*

● *The regional Federal/State board concept*



Federal/State Cooperation in the Regulatory Environment

- *FERC Regional/RTO State panels:*
 - *Reaching out to the States*
 - *Receive feedback from the States*
 - *- Require Commitment of Resources by State commissions*

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Federal/State Cooperation in the Regulatory Environment

- *Examples of Federal-state coordination*
 - *FERC Order 636*
 - *Federal Pipeline Safety Program*
 - *The Joint Audits Conducted by Federal Communications Commission (FCC) and the State Commissions*
 - *The Joint Audits Conducted by the Securities and Exchange Commission (SEC) and the State Commissions*

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Federal/State Cooperation in the Regulatory Environment

Conclusion:

● *Federal/State Cooperation:*

- *Enhance communication between agencies*
- *Resolve issues arising from regulatory overlaps*
- *Address changing regulatory environment*